

---

# **Trion Battery Technologies Inc.**

---

FAQ Package

*Private and Confidential. Subject to Amendment*

## **I. Trion Battery Technologies Inc. CCAA FAQs**

Trion Battery Technologies Inc. (the “Company”)

### **A. Frequently Asked Questions**

#### **1. What is the CCAA?**

- The Companies’ Creditors Arrangement Act, or “CCAA” is a federal statute that enables companies to restructure their financial affairs under the supervision of the Courts.
- As part of the CCAA proceedings, the Court grants a “stay of proceedings” in favour of the Company which prevents creditors, such as lenders and suppliers, from taking action against the company, giving it the time and stability to enable it to restructure while continuing its day-to-day operations.

#### **2. Is the Company bankrupt?**

- No. Under Canadian insolvency and restructuring laws, “bankruptcy” is a specific type of proceeding under which an insolvent company’s operations are terminated and its assets are sold or “liquidated”.
- The CCAA proceedings, amongst other things, prevents creditors from forcing the company into bankruptcy. For this reason, CCAA proceedings are sometimes referred to as “bankruptcy protection”.

#### **3. Why did the Company file CCAA?**

- The Company’s financial performance has been adversely affected by a number of factors including the inability to raise funds via IPO to finance increased production. The Company has exhausted all available liquidity and is unable to meet its obligations as they come due. While the Company has been working to try to avoid a CCAA filing, Company management ultimately decided that a CCAA filing was the best option available and will enable the Company to complete a financial restructuring in a stable and structured environment.
- Management has been working directly with the DIP Lender to secure additional financial support during the CCAA filing.
- Management is evaluating all the options available to the Company.

*Private and Confidential. Subject to Amendment*

- At this time, management cannot be certain what the final result for the Company will be but is committed to providing additional details and updates as they become available.

**4. What happens during the CCAA filing?**

- The company has been given time to develop and propose a sale and investment solicitation process (a “SISP”) to canvas the market for potential interested partners, through which the financial affairs of the company may be restructured. During this time, a “stay of proceedings” is in place to prevent creditors from taking actions that could destabilize the company or force it into bankruptcy.
- Subject to the oversight of the Court, the company remains in control of its business and operations and can take steps to complete its restructuring and improve its operations.
- Once a SISP has been developed, the Court may approve the process and the Monitor will facilitate the process. The SISP will result in one or more “winning” offers, which will also require Court approval to transact. If a transaction is approved by the Court, the Company implements the transaction and may fully or partially “emerge” from CCAA, completing the process.
- The Court appoints a Monitor to oversee the activities of the Company and assist stakeholders with the CCAA process. FTI Consulting has been appointed as Monitor.

**5. How long will the CCAA proceeding take to complete?**

- At this time, it is not possible to say how long the proceedings will take to complete, though the SISP is expected to be completed by mid-May 2026, if approved by the Court.
- The Court has granted a stay of proceedings of 10 days, which is the maximum allowed by law on an initial application under the CCAA, and the company is entitled to request extensions of that time.

**6. What is the Monitor?**

- The Monitor is an officer of the Court whose responsibilities include assisting the company with its restructuring, reporting to the Court from time to time on the progress of the proceedings and, ultimately, providing a recommendation on the SISP and any potential transaction. In this case, FTI Consulting has been appointed as Monitor.

- The company will be giving its full co-operation to the Monitor.
7. **Who is now in charge of the Company?**
- The Board of Directors and the executive management team remain in control of the company and its operations, subject to the specific requirements of the CCAA Initial Order.
8. **What does the filing mean for the Company's operations?**
- For the most part, it will be business as usual, in fact the Company anticipates increasing the volume of battery production business due to the DIP Financing Agreement, which provides liquidity to fund such operations.
9. **Does the Company have sufficient financing to continue operations?**
- Yes. As part of the CCAA proceedings, the Company has obtained Court approval of new financing called "debtor-in-possession" or "DIP" financing to provide liquidity to fund operations during the CCAA proceedings.
10. **How will employees be paid my wages/salary going forward?**
- Wages and salaries will continue to be paid in the normal course.
11. **Will employees be paid for wages earned prior to the filing date? What about unpaid expenses?**
- Yes, wages and salaries will continue to be paid in the normal course.
  - Expense submitted in accordance with the Company's policy will be reimbursed.
12. **How will employee vacation entitlements be affected?**
- Employee vacation entitlements are not affected by the CCAA proceedings. Employees must continue to comply with normal policies and procedures with regard to approval of time off.
13. **Will employee benefits package continue?**
- Yes, benefits arrangements remain unchanged.

**14. Are there going to be lay-offs?**

- The Company does not expect to impose significant layoffs at this time, in fact, operational demands are expected to increase during the CCAA proceedings given funding provided under the DIP Financing Agreement for operations during the SISP.

**15. How will I be kept informed of developments during the proceedings?**

- The Monitor will provide periodic updates on the progress of the restructuring and any key developments via reporting to the Court. In addition, court materials, including the Monitor's reports, are available on the internet at **[cfcanada.fticonsulting.com/trion](http://cfcanada.fticonsulting.com/trion)**

**16. What do I do if I have other questions?**

- For questions relating to the CCAA proceedings, you can call the hot-line at 416-649-8128 or toll-free at 833-642-9673, or reach the Monitor via email at **[trion@fticonsulting.com](mailto:trion@fticonsulting.com)**.